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Water Seen Cutting Soviet Oil Yields

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CIA Director Stansfield Turner told Congress yesterday that the Soviet Union is so badly flooding its oil fields with water that its oil production may begin to turn down in as little as one year.

"Those fields that account for the bulk of Soviet oil production are experiencing severe water encroachment," Adm. Turner told the House Commerce Subcommittee on Energy and Power. "When wells begin to show water in large quantities, the natural flow will usually stop and the wells must be put on the pump."

Explaining that Soviet oil troubles are "crucial" to the CIA's forecast that world oil demand will exceed world supply by 1985, Turner said Russia's production will turn down so fast in the next five years that the Soviets will have to import oil from the Middle East to meet their own demands.

Turner explained that the Soviets still inject water into their oil fields to raise the below-ground pressure and force the oil to the surface without pumping it.

"Although massive water injection can boost production for a time," Turner said, "eventually the water will find a channel of least resistance and break through to the oil-producing well, leaving behind much oil in the less permeable portions of the formation."

Turner was asked about a weekend report issued by the United Nations that said there is plenty of oil and natural gas trapped deep in the earth if only geologists can get to it. A summary said that geologists contributing to the report agreed that new technology could get enough oil and gas out of the ground "to last at least until the time period 2020 to 2030."

"Our analysis takes the world out to 1985," Turner said. "I have not seen the U.N. report but I gather it talks about exploration and drilling after 1985. We're assuming you cannot get any additional production out of untapped oil reserves until 1985."

In New York, the United Nations said its report was not intended to be a compilation of worldwide oil reserves but was based on a seminar last July in Austria, where geologists discussed the "potential" of new drilling technologies that could tap deeply buried oil.

Turner defended the CIA report, which said that by 1985 the world will be using more oil than it produces and which was used by President Carter to justify his call for stiff measures to conserve oil through the rest of the century.

"We did this study before President Carter's energy program was devised," Turner said in reply to critics who suggested the CIA report was drummed up by the White House to support White House energy policy. "We did it to show where present world policies on conservation and production would bring us."

Turner said the CIA's sources included the oil industry, but that fact "does not invalidate the data." The CIA director said that much of its information "comes from highly sensitive intelligence sources unavailable to anybody else."

Presumably, this meant the information about the Soviet oil fields. That information came as a surprise to at least two oil industry experts familiar with Soviet oil, who said they were unaware that water injection was damaging the big Soviet fields.

"But the Soviets have begun to turn to natural gas injection, which does not contaminate the oil fields," one source said. "It is my understanding the Soviets are not staying with water injection," which the United States abandoned 10 years ago.

Meanwhile, President Carter's energy plan came under fire yesterday from the Republican opposition. Disputing his contention that the world is running out of oil, Senate Republican leader Howard Baker of Tennessee said "we can produce our way out of this" if Carter's plan contained incentives enough to drill for new reserves.